

NETWORK STADIUM HOUSING ASSOCIATION LIMITED
INSERT COMMITTEE AND DATE

RESPONSIVE REPAIRS SCRUTINY

PREPARED AND PRESENTED BY:

Prepared by: Scrutiny Panel

Delivered by: [REDACTED] – Scrutiny Panel member

[REDACTED] – Scrutiny Panel member

PURPOSE AND SCOPE:

This report is produced for Network Stadium Housing Association (NSHA) by resident members of the Scrutiny Panel. The report details the background to the Panel's work, methods used and conclusions from the scrutiny conducted into NSHA's Responsive Repairs service (RRS). The report is accompanied by a service improvement plan for review and approval by the Performance Committee.

RESOURCE IMPLICATIONS

Resource implications will be linked to NSHA's response to service improvement recommendations detailed in this report. This may include (non-exclusively):

- A greater call on staff time
- Financial investment to support limited service provision restructuring; training; gathering additional statistical data and increased resource allocation

STRATEGIC IMPLICATIONS

Links to NSHA's Business Plan 2013-14:

- Action 28: Improve satisfaction with the repairs service
- Action 38: Develop the approach to co-regulation for NSHA

Strategic implications will link to the operational practice of NSHA in its response to recommendations to improve the RRS.

RISK: FINANCIAL, OPERATIONAL AND REPUTATIONAL

Risk implications:

Financial

- Failure to reduce RRS running costs
- Continuing risk of overpayments to contractors undertaking RRS work
- Continuing wastage through payment for repair/replacement of parts under warranty
- Cost of employment of additional Contact Centre staff
- Failure to implement service improvement recommendations effectively will lead to diminished value for money of the Scrutiny process.

Operational

- In view of Fit for the Future structural changes, diminished capacity to implement the service improvement recommendations proposed by the Scrutiny Panel
- Current staff moral and retention issues will remain
- NSHA/contractor relationship will remain unstable
- NSHA's focus will remain reactive rather than proactive in delivering continual service improvement

Reputational

- Continued low levels of satisfaction with RRS
- Reduced trust in NSHA generally.

SUMMARY OF RESIDENT AND DIVERSITY IMPACT

None conducted

RECOMMENDATIONS/NEXT STEPS

The relevant Committee to review service improvement recommendations and plan and approve for implementation.

Please see item 6.1 – 6.12 (pg. 14-15) in the body of the report for details of the recommendations provided by the Scrutiny Panel and Appendix 2 for the service improvement plan.

**NETWORK STADIUM HOUSING ASSOCIATION LIMITED
PERFORMANCE COMMITTEE – THURSDAY 13 MARCH**

RESPONSIVE PEPAIRS SCRUTINY

1. Purpose of the report

- 1.1 During January and February 2014, we undertook scrutiny of the RRS at NSHA.
- 1.2 This project has scrutinised the current policy, procedure and customer experience of NSHA's RRS. It has focussed specifically on the effectiveness of communication channels between NSHA/contractor and the customer/resident in delivering the service remit.
- 1.3 This report sets out the background to our work, methods used, our findings and recommendations we wish to make to the Performance Committee in respect of the RRS the form of a service improvement plan.

2. Executive summary

- 2.1 This report outlines the approach adopted by the Scrutiny Panel in conducting their investigation into NSHA's RRS. This includes the Panel's evidence based observations, conclusions and a series of recommendations to deliver service improvement activity within the RRS.
- 2.2 The report is accompanied by a service improvement plan that translates the recommendations into tangible and achievable activity to be undertaken at NSHA.

3. Background to the report

- 3.1 Since the new Regulatory Framework was introduced under the Housing and Regeneration Act 2008, the role of an external Regulator of Housing Providers has diminished and it is expected that ensuring that all Standards are met and exceeded is achieved through *co-regulation* undertaken by the Provider and its residents. This has been greatly reinforced since the election of the Coalition Government, the abolition of the regulator, the Tenant Services Authority, and the passing of essentially a 'backstop' regulatory role for the national *Consumer* Standards to the Homes and Communities Agency.
- 3.2 The RRS was chosen as a priority for Scrutiny by NSHA as a key aspect of this year's Business Plan. The following drivers were identified in selecting this Scrutiny area:
 - 3.2.1 Links to the business plan:
 - Business plan 2013-14 task 28: Improve satisfaction with the repairs service and task 15: Property Services Strategic Improvement Group Project - Customer Focus and Resident Engagement.

- It is recommended that a Scrutiny project in this area will help inform the service improvement activities already in place for 2013-14.

3.2.2 Leadership Factor

- The results of the Leadership Factor survey (October – December 2012) showed an average resident satisfaction with repairs of 60%. This was the lowest satisfaction score within the Network Housing Group.

3.2.3 Resident Business Planning Group (October 2012) feedback:

- Repairs need to be cost effective and represent value for money
- Residents noted a general decline in the quality of repairs
- Contractor repair work needs to be tracked more effectively, so money is not spent on jobs which are not done, or not done properly and to the required standard
- Enforce contractor obligations more stringently and have appropriate penalties in place
- Improved communications processes are required to keep residents properly informed of repairs work both before and after the works are carried out.

4. **Process followed for the Scrutiny**

4.1 Item 4.2 – 4.8 outline the methods used in our Scrutiny programme and primary findings:

4.2 Briefing with Responsive Repairs Manager

4.2.1 We discussed key aspects of the RRS delivery. Several challenges affecting the success of the service were identified;

- Contact Centre's inconsistent ability to affectively diagnose problems and suitable repairs correctly at first point of contact to enable the contractors to deliver a more efficient service (right first time), saving time and money.
- Missing data on NSHA's databases regarding warranties (i.e. replacement light fittings, doors and locks, boilers, windows etc.) thus affecting NSHA's ability to communicate the cost of repairs accurately to residents, particularly leaseholders, and demonstrate value for money (VfM)
- The variations process works ineffectively, relies on trust with the contractor and typically not communicated back to residents in a timely manner.

4.3 Good practice briefing with external consultant

4.3.1 The Panel were visited by external consultant, Michael Guest. We discussed and reviewed documentation to learn from best practice across the sector regarding RRS. This also gave the Panel the opportunity to look at how policies and procedures are implemented within NSHA.

4.3.2 The Chartered Institute of Housing (CIH) best practice guidance was particularly insightful. It was also helpful to review other Housing Sector organisations and how their communication processes work.

4.3.3 Independent research on PDAs - <http://www.theguardian.com/housing-network/2012/oct/03/social-housing-repairs-technology-systems>

4.4 Review of documents

4.4.1 As standard in the Scrutiny process we submitted in advance of our programme, a list of requested documents to study as a part of the process. The documents were provided as requested. These documents included: performance data; leadership factor results; responsive repairs policy and procedure; CIH best practice documentation and the complaints procedure.

4.5 Resident Quality Inspector report

4.5.1 We would like to note the very high standard of the report provided and extend thanks to the RQIs for their hard work. Their feedback to the Panel was welcome and very detailed. We are in support of the service improvement recommendations the RQIs presented, which will be highlighted within our own recommendations (see section 6).

4.5.2 The RQI report highlights long-standing issues in lines of communication in the RRS between the contractors and residents, NSHA and contractors and NSHA and residents which negatively affects residents' experience of the service.

4.5.3 The recommendations made in the RQI report centre around four key themes: improved collaborative working between NSHA and the contractor; improved communication to residents (supported by stringent communication mechanisms, process and procedure); performance management of all staff delivering the RRS and staff training. Please see Appendix 1 for details.

4.6 Interview with contractors Axis and Rydon

4.6.1 We conducted two interviews with representatives from NSHA's contractors, Rydon and Axis. The purpose of these interviews was to understand the contractor's perspective of the communication processes between NSHA/contractor/resident in delivering the RRS.

4.6.2 We felt that the interview with the representatives from Rydon and Axis were honest and frank. They identified what they felt were ongoing problems, did not apportion blame. They were solution-focussed and identified areas for improvement. We were particularly interested to discuss Rydon's commitment to corporate social responsibility.

4.6.3 Both interviews highlighted several key improvement themes:

- Necessity for stringent communication process – the variations process was cited as an example of this
- Accountability and responsibility to be delegated and monitored – Rydon explained that this had been particularly effective at a previous contract they delivered for Hyde Housing Group.

4.7 Interview with the Director of Property Services

4.7.1 This interview confirmed many of the challenges identified within the briefing with the Responsive Repairs manager.

4.7.2 We noted that staffing resources were going to be an on going issue and emphasis was placed on working more effectively and 'smartly' with finite resources. It was also noted that appropriate training was a key issue, particularly for new Customer Service Centre.

4.7.3 We were told that the majority of responsive repairs costing in excess of £250 were post-inspected to ensure VfM. The Panel felt that responsive repairs under £250 could be monitored more closely in the longer term to ensure VfM and quality service provision.

4.8 Resident focus group

4.8.1 We ran a focus group with six residents (2 leaseholders, 2 shared-owners and 2 general rented) to discuss their RRS experience in respect of communications.

4.8.2 We were astounded by the level of discontent expressed by the entirety of the focus group.

4.8.3 The main concerns highlighted by the attendees were:

- Lack of communication over how long a repair will take (not being kept informed)
- General communication and customer service standards were very poor – describe as on occasion 'rude', 'dismissive' and 'unprofessional'
- Lack of experienced operatives in the Contact Centre to handle repairs enquiries effectively and an inability to distinguish between emergency, urgent and routine repairs
- Improved transparency of VfM of repairs and exact cost incurred to leaseholders through their service charges.

5. Conclusions

5.1. We would like to thank all NSHA staff involved for their time, commitment and honesty of feedback.

5.2. We formed a very clear picture that NSHA staff were aware of shortcomings with the RRS service and, in particular, the communication element of it and were genuinely interested in, and committed to, improving the situation.

5.3. Overall our Scrutiny was only partially successful. We embarked upon expecting to identify communication gaps, oversights and misalignments: areas where there could be better communication and areas where the focus, frequency and content of communication could be improved. Instead we found a RRS so systemically flawed that it would be impossible to implement an effective RRS communications strategy. In essence, there are so many systemic problems with the RRS that it is not possible to devise an effective communication strategy - too much is missing: vital data; IT

infrastructure; staff resources; contractor liaison; staff knowledge; consistent case management; unreliable management data; unmanaged client expectation - the list is daunting.

- 5.4. Given the systemic problems mentioned in clause 5.3 above, this report cannot help but stray at times into discussions about the effectiveness of the RRS itself, rather than confining discussion purely to RRS communication issues.
- 5.5. Although as per clause 5.2 above, NSHA staff were keen to improve matters, there was a pervasive feeling that the system was broken and there was little they could do to rectify matters.
- 5.6. The root cause of the problem is the high numbers of repair requests; resident enquiries and general RRS issues that NSHA faces. Everyone we spoke with appeared to be under considerable time pressure. All seemed to be struggling to handle the flow of matters needing immediate attention in the core areas of their responsibility. Perhaps inevitably, as a direct result, both NSHA staff and contractors focus on (a) managing the tide of work and (b) dealing with the immediate, pressing and resolvable problems first.
- 5.7. The consequence of (a) in clause 5.6 above is that matters are frequently not dealt with properly or in depth. The consequences of this are:
 - The service experience becomes wildly inconsistent
 - Problem solving becomes more complex
 - Lack of accountability and ownership of problem solving
- 5.8. Systemically speaking, the biggest consequence of the problems set out in 5.6 is that both staff and contractors appear to have developed a “silo” method of working. It is our conclusion that the RRS does not work as a coherent process. Instead various staff and contractors each undertake separate elements that would be part of an RRS but where there are gaps, flaws, duplication or waste, it is not clear as to who is accountable as there is no clear process in place.

Other consequences of the lack of a coherent RRS were gaps, misreporting, errors, omissions and the marked absence of responsibility and accountability.

 - For example, there is lack of clarity as to whether longstanding repairs cases have been completed or require additional work.
 - Improvements in one area do not necessarily mean improvement overall and indeed may worsen the situation in the overlap areas
 - Residents are not kept up-to-date on the progress of their repairs
- 5.9. An additional concern is that staff interacting with dissatisfied residents were often viewed as ‘defensive’, ‘non-communicative’ and problem focussed not solution orientated.

- 5.10. Different parts of NSHA seem to have different views about exactly whom they are serving. Some refer to tenants, others to residents yet others to customers. These terms are not interchangeable, each identity implies a different set of obligations and responsibilities and so each requires a slightly different communication style. In essence, it was often difficult to tell whether NSHA's focus priority was on the job, the property or the resident.
- 5.11. Many communication problems cannot be addressed other than incrementally because of the lack of essential underlying process and procedure (i.e. the necessary information, staff resources, reporting procedures, ability to send texts, accurately determine whether a job is finished and to the resident's satisfaction).
- 5.12. One persistent concern was what appears to be a significant misalignment between Leadership Factor recorded satisfaction levels with the RRS and the anecdotal evidence we have received from residents. This leads us to query the validity (and safety) of basing policy/decisions on this data.
- 5.13. The Customer Relationship Management (CRM) system appears too unwieldy and is an active disincentive for staff to record essential data. It is also very slow to navigate which a particular concern is given the time pressures that call centre and other staff face.
- 5.14. For the purpose of this report we have outlined the way we view the communication process for residents when accessing the RRS, highlighting the key stages in an average repair. Please see page 9 for the breakdown of the communication cycle, the issues we have identified in each area and the links to our recommendations to improve the delivery.
- 5.15. Responsive repairs communication cycle:
 1. Residents' pre-existing knowledge
 2. Resident identifies a repair
 3. Resident contacts NSHA
 4. NSHA instructs the contractor
 5. Appointment time given
 6. Job completed
 7. Repeat visit required

Process	Challenges Identified	Links to recommendations
Residents' pre-existing knowledge	<ul style="list-style-type: none"> • Insufficient resident knowledge about repair rights and responsibilities • NSHA often categorises/explains repairs in jargon (i.e. cyclical, responsive) • Insufficient management of resident expectations • Leaseholders are “Cinderella tenants” 	6.4 6.5 6.6 6.7
Resident identifies a repair	<ul style="list-style-type: none"> • Limited information to residents on what to/how to define the nature of repair • Potentially, the poor explanation by the resident leads to misclassification/inaccuracies in the repair order • Potentially, the poor understanding/questioning by NSHA leads to misclassification/inaccuracies • Insufficient resident knowledge about repair rights and responsibilities 	6.4 6.5
Resident contacts NSHA	<ul style="list-style-type: none"> • Long waiting times to the Contact Centre • If the resident emails, then email is likely to be ignored • If the resident reports a repair to a Neighbourhood Officer the matter may not be acted upon • Northgate data entry may not be completed properly – contractor systems do not link sufficiently • Essential housing stock data (e.g. listed property or type of boiler) not recorded • NSHA staff do not have expertise or time to ask right questions to get accurate understanding • No way to sift duplicate reports or identify “hotspot” issues • Time pressures reduce effective consideration • Repair tied to reporter, even if communal issue: “enforced responsibility” 	6.3 6.5 6.11 6.12
NSHA instructs the	<ul style="list-style-type: none"> • Contractor may not have accurate resident contact information 	6.2

contractor	<ul style="list-style-type: none"> • Contractor has no way to seek further and better particulars • Essential info missing (e.g. boiler type) • Resident is kept waiting • Appointment details may be lost by resident • Often no follow up confirmation • Delays not communicated to resident • Lack of accurate differentiation between new jobs and repeat jobs 	<p>6.4 6.11 6.12</p>
Appointment time given	<ul style="list-style-type: none"> • Contractor no show • Contractor is late • Contractor has wrong parts/expertise • Job different/bigger/harder than expected • Resident not there • Resident not aware • Time and cost wasted • Contractors and NSHA file-orientated mentality: will only deal with job on docket 	<p>6.4 6.5</p>
Job completed	<ul style="list-style-type: none"> • Does the resident know? • Does the resident agree? • No feedback from NSHA • NH not told or no record of being told • If job not started still booked as done (time not job sold) • Tenant asked to sign job complete – how know? Intimidated? 	<p>6.10</p>
Repeat visit required	<ul style="list-style-type: none"> • Does the resident know? • Does the resident agree? • No feedback from NSHA • NSHA not told or no record of being told • Resident is required to chase enquiry/contacting NSHA to find out what is going on 	<p>6.5</p>

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6. Recommendations

- 6.1. Necessity for NSHA to create an up-to-date singular Responsive Repairs process. Particular attention should be given to the cross-functional nature of delivering this service and clarity of responsibilities and accountabilities.
- 6.2. It is preferable for residents to have a single point of contact on a repair and that person to know about it and take responsibility for it.
- 6.3. Investigate the merit of developing a handyman service or equivalent to target “hotspot” estates and deliver a more localised, efficient service.
- 6.4. Capitalise on contractors’ commitment to corporate social responsibility. This should include:
 - Training opportunities for residents in basic repairs
 - Local repairs surgeries - Can we use on-site contractors to visit and review outstanding jobs to evaluate status, diagnose new repairs and book in appointments?
- 6.5. Improved communication channels for residents in delivering this service remit:
 - Residents Associations can be utilised effectively to disseminate updates on the repairs service
 - Improved online facilities for residents to report repairs
 - ‘piggy-back on other lines of communication, i.e. rent statements
 - Improve the use of the text message service to send repair updates to residents
 - Develop and advertise a schedule of road shows, attended by senior management to improve visibility, transparency and enable a larger cross-section of residents to get involved
 - Develop online repairs tutorials
 - A residents’ handbook that keeps residents properly informed and helps residents to report their repairs fully and accurately should be published and distributed to all.
- 6.6. Ensure resident involvement in reviewing all repairs literature and procuring new contracts.
- 6.7. A separate review for Leasehold responsive repairs should be conducted, taking into account choice of contractors, VfM and transparency of repairs cost.
- 6.8. In light of the structural changes brought about by Fit for the Future, the appointed Director of Property Services needs to consider strategic planning for the future and potential issues arising from diminishing staff resources.
- 6.9. Mystery shopping exercises and Resident Quality Inspections can be used more frequently to monitor/check responsive repairs.

- 6.10. NSHA should review how information is properly captured, measured and evaluated to ensure effective delivery and performance management of the service. This should include better recording of responsive repairs complaints to identify learning and a more stringent approach to collecting resident satisfaction data external to that of the Leadership Factor.
- 6.11. Stringent training of the new Customer Services Centre will enable more effective communication with residents. Throughout the Scrutiny programme we have identified several core areas to consider here:
- Develop appropriate 'repairs scripts'/ question checklists to ensure that information collated at first point of contact is sufficient to diagnose a repair correctly
 - Customer service skills are a necessity
 - Correct contact number is updated on residents' records – the success of a text messaging service relies on this information being up-to-date.
 - The previous practice of locating the contractor's employees in NSHA's Contact Centre should be reviewed.
- 6.12. Better record keeping about essential stock held, i.e. boiler types and warranties, will help ensure more repairs are executed 'right first time' and improve communication by preventing repeat calls from residents.

7. Appendices

- 7.1. Appendix 1 – RQI Report
- 7.2. Appendix 2 – Service Improvement Plan (RRS)